

REMARKS/ARGUMENTS

Interview Summary

Applicants would like to thank Examiner Lalita M. Hamilton for her time during a telephonic interview on April 14, 2009 at 9:00 a.m. MDT. Examiner Hamilton and Applicants' representative, Tadd Wilson, discussed interpretations of claim terms and possible amendments to overcome the cited art. The interview was very helpful and the amendments and arguments presented herein were influenced by the discussion.

Status of the Claims

Claims 1, 3-18, 22-26, and 28-30 are currently pending in the application. Claims 1, 22, 26 and 30 have been amended. No new matter has been added by the amendments. No claims have been added or cancelled. Therefore, claims 1, 3-18, 22-26, and 28-30 are present for examination. Claims 1, 22, and 26 are independent claims.

Claim Rejections Under 35 U.S.C. § 112, Second Paragraph

Claims 1, 3-18, 22-26, and 28-30 have been rejected under 35 U.S.C. § 112, second paragraph, because there is no support in the specification for a memory in the claimed invention. Claims 1, 22, and 26 have been amended to remove reference to a memory. Applicants respectfully request that the Examiner withdraw this moot rejection.

Claim Rejections Under 35 U.S.C. §103

Claims 1, 3-18, 22-26, and 28-30 have been rejected under 35 U.S.C. 103(a) as being unpatentable over U.S. Patent No. 6,473,500 to Risafi ("**Risaff**") in view of U.S. Patent No. 6,868,408 to Rosen ("**Rosen**"). Applicants respectfully traverse the obviousness rejections. To establish a *prima facie* case of obviousness, all claim limitations must first be taught or suggested by the prior art. *See, e.g., DyStar Textilfarben GmbH & Co. Deutschland KG v. C.H. Patrick Co.*, 464 F.3d 1356, 1360 (Fed. Cir. 2006). "All words in a claim must be considered in judging the patentability of that claim against the prior art." M.P.E.P. § 2143.03 (*citing In re*

Wilson, 424 F.2d 1382, 1385, 165 USPQ 494, 496 (CCPA 1970)). The Examiner must then provide an explicit analysis supporting the rejection. See *KSR Int'l Co. v. Teleflex Inc.*, 127 S. Ct. 1727, 1741 (2007) ("a patent composed of several elements is not proved obvious merely by demonstrating that each of its elements was, independently, known in the prior art"). While the Examiner can choose one of several exemplary rationales from the MPEP to support an obviousness rejection under *KSR*, all the rationales still require the Examiner to demonstrate that all the claim elements are shown in the prior art. See MPEP § 2143, Original Eighth Edition, August 2001, Latest Revision July 2008.

Claim 1:

Missing Limitation: "wherein the first value provider is an entity, wherein the value owner is a customer of the first value provider, and wherein the first value provider stores value on behalf of the value owner"

Claim 1 requires that "the first value provider is an entity, wherein the value owner is a customer of the first value provider, and wherein the first value provider stores value on behalf of the value owner." The Examiner has provided a good discussion on the rejection in the last Office Action. See *Office Action*, p. 4. After reviewing this discussion, Applicants believe that there has been an unintended interpretation of the claims. Claim 1 requires transferring "value" from one value provider to another value provider. As claimed, a value provider is an entity. For example, value providers include "banks, credit unions, mobile phone service providers, mobile phone service aggregators, airlines, internet operators, etc."

Application, ¶ [15]. A value owner is a customer of one of these entities. For example, the value owner may have a mobile phone service agreement with a mobile phone service provider. Further, the value provider stores value for the value owner. Continuing the example, the mobile phone service provider may store available mobile phone minutes for the value owner. With the amendments to the claims, Applicants believe that the value provider is now better defined.

The Examiner notes portions of *Risafi* as teaching the value provider. See *Office Action*, p. 4. Those cited sections are as follows:

The card processing center stores the card number, PIN, and the balance in an account file. The card user is able to use the card at any terminal or other designated device connected through a network to the processing center to buy goods and services, to withdraw cash, and to add value to the card. The cardholder may also change the PIN using these devices. When conducting any of these transactions, the card processing center verifies the transaction's validity by checking the stored card number and PIN against the card number read by the terminal and the PIN entered by the card user for that transaction.

Risafi, col. 4, lines 5-15.

FIG. 7a includes the same elements as shown in FIG. 4. In step 712, card user 10 provides to agent 104 card 100 along with payment in cash, check, credit, or debit form. PDC 404, or, alternatively, the agent, may deduct transaction or processing fees, in which case something less than the full value of the payment will be added to the card account. In step 714, card user 10 inputs his or her PIN to agent terminal 402, and, in step 716, agent terminal 402 transmits to PDC 404 the card number, PIN, value to be placed in the account for card 100, and the transaction code, in this case "reload." In step 718, PDC 404 checks the Card File to verify that the PIN matches and that all other issuer- or PDC-specified criteria have been met and adds the reloaded value to the card account and to the Account file. In step 720, PDC 404 transmits to agent terminal 402 whether the transaction has been completed or denied and, if completed, that the card account has been reloaded. In step 722, agent 104 gives back card 100 to card user 10, and card 100 is again ready for use.

Risafi, col. 14, lines 38-55.

The Examiner states that the first value provider is equivalent to "value provided on card for making transactions." See *Office Action*, p. 4. However, a card is not an entity. Further, a card owner cannot be a "customer" of the card. Finally, the card does not store value, but stores information about an account. It is believed that the changes to the claims clearly delineate the value provider from any type of payment instrument including the card of *Risafi*.

Rosen does not overcome the deficiencies of *Risafi* as also not providing a value provider. For at least this reason, claim 1 is allowable over the cited art.

Missing Limitation: “converting the received value with the processor of the exchange provider to the converted form in accordance with the determined exchange rate”

The Examiner fails to show a conversion from one value to a converted value based on an exchange rate. The Examiner states that Risafi fails to show this element of the claims. *See Office Action*, p. 4. The Examiner relies on Rosen to show this element of the claims. *See Office Action*, pp. 3-4. The cited section is as follows:

To achieve the foregoing, and other objects, the method and apparatus of the present invention employ a preferred embodiment in the form of an electronic-monetary system having (1) banks or financial institutions that are coupled to a money generator device for generating and issuing to subscribing customers electronic money including electronic currency backed by demand deposits and electronic credit authorizations; (2) correspondent banks that accept and distribute the electronic money; (3) a plurality of transaction devices that are used by subscribers for storing electronic money, for performing money transactions with the on-line systems of the participating banks or for exchanging electronic money with other like transaction devices in off-line transactions; (4) teller devices, associated with the issuing and correspondent banks, for process handling and interfacing the transaction devices to the issuing and correspondent banks, and for interfacing between the issuing and correspondent banks themselves; (5) a clearing bank for balancing the electronic money accounts of the different issuing banks; (6) a data communications network for providing communications services to all components of the system; and (7) a security arrangement for maintaining the integrity of the system, and for detecting counterfeiting and tampering within the system.

In the preferred embodiment, the functions of the money generating devices, the transaction devices, and the teller devices will be performed by a combination of tamper-proof computer hardware and application software modules that may be networked together. Information is transmitted in an encrypted form to provide security from unauthorized inspection. The electronic money is transmitted with digital signatures to provide authentication, and security from modification or counterfeiting.

The electronic money exchanged by these devices may be an electronic representation of currency or credit. An important aspect of the electronic currency is that it is the equivalent of bank notes and is interchangeable with conventional paper money through claims on deposits in an issuing bank, but can be withdrawn or deposited both at an issuing bank and at a correspondent bank.

However, only the issuing banks can generate the electronic currency, and will be liable for its redemption.

The issuing banks later utilize inter-bank clearing and settling processes to maintain the monetary balance in the banking system, as is currently practiced by today's banking industry.

The electronic money representations are fungible, universally accepted, and undeniably redeemable from the issuing banks, i.e., they have the characteristics of money transactions. To preserve the integrity of the electronic monetary system, each exchange of electronic money includes, along with other information, data identifying the monetary unit of the credit or currency, (i.e., dollars, yen, etc.) the amount by unit of credit or currency, the bank issuing the electronic credit or currency, and several digital signatures.

According to a broad aspect of the invention, an electronic monetary system provides for transactions utilizing electronic money including electronic currency backed by demand deposits in a bank in lieu of cash transactions, and electronic credit authorizations. In an embodiment of the present invention, *the EMS comprises a money module for generating the electronic money; a money module for issuing, distributing, and accepting the electronic money; and a money module for accepting, storing, and transferring the electronic money between other accepting money modules and between the accepting money module and the issuing money module.*

Rosen, col. 3, line 33 – col. 4, line 35 (emphasis added).

Rosen provides for an electronic monetary system that makes electronic money transactions. *See Rosen, Abstract.* The section cited by the Examiner describes the electronic monetary system but fails to mention converting the monetary amount with a determined exchange rate. Indeed, Rosen only discusses that “*the EMS comprises a money module for generating the electronic money; a money module for issuing, distributing, and accepting the electronic money; and a money module for accepting, storing, and transferring the electronic money between other accepting money modules and between the accepting money module and the issuing money module.*” *Rosen, col. 4, lines 28-36 (emphasis added).* There is no mention of conversion. The “exchange” described in Rosen describes exchanging money by transferring the electronic money between accounts and does not describe exchanging different monetary amounts using an exchange rate. As such, Rosen fails to describe this element of the claims.

For at least this reason, claim 1 is allowable over the cited art.

Claim 22:

Claim 22 provides similar elements as claim 1. For example, claim 22 recites “wherein the value provider is an entity, wherein the first customer is an owner of the nonmonetary value stored by the value provider”, “the exchange provider converting the nonmonetary value with the processor of the exchange provider into the monetary value”, and “in response to receiving the value, the exchange provider determining an exchange rate for converting the nonmonetary value into the monetary value with the processor of the exchange provider.” These elements are rejected using the same arguments presented above with respect to claim 1. *See Office Action*, p. 4. As such, for the same reasons as stated with respect to claim 1, claim 22 is also allowable over Risafi and Rosen.

Further, claim 22 describes converting a non monetary value. Both references provided, Risafi and Rosen, only describe monetary exchanges. As such, the Examiner has failed to provide cited art to provide this rejection.

Claim 26:

Claim 26 provides similar elements as claim 1. For example, claim 26 recites “wherein the first value provider and the second value provider are entities, wherein the value owner is a customer of the first value provider and the second value provider”, “instructions to convert the value received from the value provider over the input device into the converted value in accordance with the exchange rate”, and “in response to receiving the value, instructions to determine an exchange rate for the value.” These elements are rejected using the same argument presented above with respect to claim 1. *See Office Action*, pp. 3-4. As such, for the same reasons as stated with respect to claim 1, claim 26 is also allowable over Risafi and Rosen.

Claims 3-18, 23-25, and 28-30:

Claims 3-18, 23-25, and 28-30 all depend from one of the allowable independent claims above. For at least the reason of this dependence on allowable base claims, Claims 3-18, 23-25, and 28-30 are also allowable over Risafi.

CONCLUSION

In view of the foregoing, Applicants believe all claims now pending in this Application are in condition for allowance and an action to that end is respectfully requested. Applicants do not acquiesce to any argument not specifically addressed herein. Rather, Applicants believe the amendments and arguments contained herein overcome all rejections presented.

If the Examiner believes a telephone conference would expedite prosecution of this application, please telephone the undersigned at 303-571-4000.

Respectfully submitted,



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